Vote No. 130

April 6, 1995, 7:42 p.m. Page S-5345 Temp. Record

## **DISASTER SUPPLEMENTAL-RESCISSIONS/Market Promotion Program**

**SUBJECT:** 

Emergency Supplemental Appropriations Disaster Assistance and Rescissions Act... H.R. 1158. Cochran motion to table the Bryan (for Bumpers/Bryan) amendment No. 461 to the Hatfield substitute amendment No. 420.

## **ACTION: MOTION TO TABLE AGREED TO, 61-37**

**SYNOPSIS:** As introduced, H.R. 1158, the Emergency Supplemental Appropriations Disaster Assistance and Rescissions Act, will provide \$5.360 billion in emergency appropriations for disaster assistance, and will rescind \$17.188 billion for various Departments and agencies.

The Hatfield substitute amendment would strike the provisions of H.R. 1158 and insert in lieu thereof the text of S. 617, as reported, which would provide \$6.700 billion in disaster assistance (the amount requested by the President), would rescind \$13.286 billion for various Departments and agencies, and would provide for expedited salvage timber sales on Federal lands for fiscal years 1995 and 1996.

The Bryan (for Bumpers/Bryan) amendment would rescind all appropriations for the Market Promotion Program (the Hatfield substitute amendment would increase the current year appropriation of \$85 million to \$115 million).

Debate was limited by unanimous consent. Following debate, Senator Cochran moved to table the Bryan amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

## **Those favoring** the motion to table contended:

Eliminating the MPP would be a serious mistake. We think the United States needs to begin moving away from agricultural price supports and toward more aggressive promotion of agricultural exports. The MPP is a step in that direction. Though it has only been in existence for a few years, it has already reaped impressive results. The Agriculture Department, in a study of the MPP, found that each marketing promotion dollar has resulted in an increase in agricultural export sales of between \$2 and \$7.

(See other side)

	YEAS (61)		NAYS (37)		NOT VOTING (2)	
	Republicans	Democrats	Republicans	Democrats	Republicans	Democrats
	(37 or 70%)	(24 or 53%)	(16 or 30%)	(21 or 47%)	(1)	(1)
Ashcroft Bennett Bond Burns Campbell Coats Cochran Cohen Craig D'Amato DeWine Dole Domenici Frist Gorton Gramm Grams Grassley	Hatch Hatfield Hutchison Jeffords Kassebaum Kempthorne Lott McConnell Murkowski Packwood Pressler Shelby Simpson Snowe Specter Stevens Thomas Thurmond Warner	Akaka Baucus Biden Boxer Breaux Conrad Daschle Dorgan Exon Feinstein Ford Heflin Inouye Johnston Kerrey Kohl Leahy Moseley-Braun Murray Nunn Pryor Robb Simon Wellstone	Abraham Brown Chafee Coverdell Faircloth Gregg Inhofe Kyl Lugar Mack McCain Nickles Roth Santorum Smith Thompson	Bingaman Bradley Bryan Bumpers Byrd Dodd Feingold Glenn Graham Harkin Hollings Kennedy Kerry Lautenberg Levin Lieberman Moynihan Pell Reid Rockefeller Sarbanes	1—Offic 2—Necc 3—Illne 4—Othe SYMBO AY—Ar AN—Ar PY—Pa	r LS: nnounced Yea nnounced Nay

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Some Senators are dismissive of this success rate, because they claim the money is going to successful corporations that do not need it. This claim grossly mischaracterizes how the MPP spends money. Fully 97 percent of its funds are given to non-profit and related U.S. trade associations. For example, the National Cattlemen's Association said that the MPP funds that it received were instrumental in its efforts to break into the market in Japan and Korea and build market share.

Some funds do end up with large corporations like McDonald's, but those funds are not given to promote those corporations, like our colleagues have falsely asserted. In the case of McDonald's, the Poultry and Export Council received MPP money which it in turn gave to McDonald's on the condition that it only buy American poultry and eggs for its overseas stores. Without this program, McDonald's is under no obligation to buy U.S. products, and in fact can readily find lower priced, lower quality poultry and eggs in Thailand, Malaysia, and elsewhere. Thus, this "corporate welfare" for McDonald's does not serve to promote McDonald's, but American poultry and eggs. According to the Poultry and Export Council, it has been very effective in increasing U.S. exports.

The MPP does not simply transfer wealth, like welfare programs and similar programs which many of our colleagues so passionately defend; it creates new wealth, new jobs, and cuts the need for Government assistance. The United States should increase funding for the MPP and similar programs during difficult economic times, not cut it. We fully agree with the increased funding for the MPP in the Hatfield substitute amendment, and thus strongly support the motion to table this amendment.

## **Those opposing** the motion to table contended:

The MPP is corporate welfare for food product companies. Put as simply as possible, the Federal Government gives money to corporate giants like McDonald's, Jack Daniels, Blue Diamond, Welch's, Pillsbury, and Conagra (which owns Country Pride, Chung King, Wesson, Butterball, Swift, Peter Pan, Armour, Banquet, and Swiss Miss) to advertise their products overseas. Last year, Jack Daniels received \$2.41 million in "Targeted Export Assistance" from the MPP. Last year, Jack Daniels also had a net profit of \$146 million and an advertising budget of \$74 million. Do our colleagues really believe that it was a wise use of taxpayers' money to give this enormously successful, huge corporation an extra \$2.4 million? Similarly, McDonald's was given \$1.6 million, even though it had a worldwide profit last year of \$1.2 billion, with an advertising budget of \$700 million.

Perhaps if the United States were flush with cash, we could countenance a continuation of this program, but as we all know it is deeply in debt and Congress is consequently considering deep cuts in welfare, education, and numerous other critical programs. We see no reason why a program that gives money to companies that do not need it should be sacrosanct. We are not necessarily against promoting agricultural exports. The United States currently spends about \$3.5 billion per year on export promotion, with \$2.2 billion of that amount being for agricultural promotion. Eliminating the current appropriation of \$85 million for the MPP (the Hatfield substitute amendment would actually increase that appropriation to \$110 million) would not even make a dent in our efforts to promote U.S. agricultural products.

This amendment is neither a liberal nor a conservative amendment; it is a commonsense amendment. Whether Senators are for or against agricultural export promotion, and whether they are for or against cutting welfare, they should all agree that this particular program is a waste of money.